

NIGERIA

Developing

Obstacles and Opportunities for Advancing Transformational Diplomacy

Poor governance, entrenched corruption and pervasive poverty remain the fundamental development challenges facing Nigeria. Although the inauguration of President Yar'Adua in May 2007 marked the first time in Nigerian history that a civilian government that had served two full terms then transferred power to another without military interference, serious electoral irregularities marred what could have been a landmark achievement. The nation has yet to recover from a generation of unaccountable rule that eroded health and education infrastructure, failed to adequately address the growing HIV/AIDS threat, suppressed democratic institutions, and stifled job creation. The new government has vowed to build on the reform legacy of the former President and has adopted a seven-point agenda that embraces electoral reform, macroeconomic reform, and the rule of law. USG priorities in its development partnership with Nigeria are to increase stability through improved social sector service delivery; foster transparent and accountable governance; promote a more market-led economy; and enhance Nigeria's capacity as a responsible regional and trade partner. Professionalism and reform of the security services are important components of this partnership. Given Nigeria's size and limited resources, focus will be on the impoverished Muslim North and conflict-prone Niger Delta.

Resources to Help Advance Transformational Diplomacy

Request by Objective

(\$ in thousands)	2007 Actual	2008 Estimate	2009 Request
Peace & Security	4,783	*	5,950
Governing Justly & Democratically	14,102	*	14,300
Investing in People		*	
Economic Growth	4,994	*	12,500
Total		*	

Request by Account

(\$ in thousands)	2007 Actual	2008 Estimate	2009 Request
Child Survival and Health	32,389	*	35,300
Development Assistance	23,954	*	37,500
Economic Support Fund	6,475	*	0
Foreign Military Financing	1,000	*	1,350
Global HIV/AIDS Initiative		*	
International Military Education & Training	691	*	800
International Narcotics Control and Law Enforcement	400	*	1,800
Total		*	

Peace and Security (\$5.95 million): Funding will continue to provide equipment and training for Nigerian peacekeeping forces while promoting effective civilian oversight of the military and its adherence to human rights norms. Expanded law enforcement programs will improve Nigeria's human rights record and restore public faith and cooperation with the security services. Funding will increase the capacity of government institutions, civil society, faith-based organizations, and other stakeholders to prevent, manage, and mitigate the impact of conflict. The U.S. program will also build Nigeria's capability to address counter-narcotics, with a focus on interdiction.

Governing Justly and Democratically (\$14.3 million): Funding will advance the rule of law by strengthening the capacity and transparency of the justice system, and build judicial independence at the federal level. Good governance and anti-corruption reform will be advanced by creating more responsive governance structures at the national and local levels, improving service delivery, and strengthening budget management capacity and fiscal oversight. The United States will work directly with a diverse cross section of Nigerian civil society organizations, building their internal management capacity and strengthening their ability to engage with the government on issues of fiscal accountability, budget monitoring, and extractive industries transparency. To lay the groundwork for free and fair elections in 2011, the USG will help to build the capacity and credibility of the electoral commission and promote civil society input into electoral and constitutional reform dialogue.

Investing in People (\$ million): Assisting Nigeria to address the fundamental health and education needs of its citizens directly impacts governance, stability, and economic growth. The United States will support increased access to quality family planning and reproductive health services. Maternal and child health efforts will focus on routine immunization, polio eradication, birth preparedness, and maternity services. With a child malaria mortality burden of over 300,000 preventable deaths per year, the United States will also increase access to proven preventive and curative interventions, including insecticide treated nets, net retreatment kits, and malaria treatment for children and pregnant women. Nigeria has the largest tuberculosis (TB) burden in Africa. To reduce death and disability, especially in the vulnerable co-infected HIV/AIDS population, U.S. assistance will double the case detection rate and halve the incidence of TB over the next 10 years. Funding will support equitable access to quality basic education through teacher training, infrastructure improvement, and community involvement, focusing on public schools as well as Islamiyyah schools that provide both secular and religious education. U.S. assistance will foster higher education partnerships between American and Nigerian universities, focusing on institutions in the north and the volatile Niger Delta.

Linkages with the President's Plan for AIDS Relief (PEPFAR): Nigeria, a PEPFAR focus country, will receive significant support for bilateral HIV/AIDS programs in FY 2008. These funds will be used, under the leadership of the host country government, to scale up integrated prevention, care and treatment programs throughout the country. PEPFAR support is invested in partnerships to help the nation build its capacity for a sustainable response. Nigeria will also receive PEPFAR resources for HIV/AIDS outside of the Foreign Operations appropriations.

Economic Growth (\$12.5 million): Funding will build trade and investment capacity and improve the enabling environment for agriculture and microfinance. U.S. agricultural sector productivity resources will accelerate the uptake of proven production, processing, and marketing technologies and stimulate job creation through the growth of agribusiness enterprises. U.S. assistance will also focus on expanding investment opportunities, which are hindered by limited access to market-driven commercial financial services, including microfinance. Assistance will help expand access to credit through partnerships with commercial banks and increased capacity of microfinance institutions. The U. S. will partner with Nigeria's Central Bank to improve the policy environment for micro, small, and medium-sized enterprises. Funds will also support customs regulation and policy reform to foster and build regional and international trade, taking advantage of African Growth and Opportunity Act incentives for trade with the United States, and development of private sector capacity to meet international trade and export standards.

Request by Element

(\$ in Thousands)	2006 Actual	2007 Estimate	2008 Request
TOTAL	180,354	*	533,550
Peace & Security	3,372	*	5,350
Stabilization Operations and Security Sector Reform	1,782	*	2,750
Defense, Military, and Border Restructuring, Reform and Operations	1,782	*	2,150
Law Enforcement Restructuring, Reform and Operations	0	*	400
Program Support (Stabilization)	0	*	200
Counter-Narcotics	495	*	600
Interdiction	95	*	250
Program Support (Narcotics)	400	*	350
Transnational Crime	945	*	0
Financial Crimes and Money Laundering	95	*	0
Trafficking-in-Persons and Migrant Smuggling	450	*	0
Program Support (Crime)	400	*	0
Conflict Mitigation and Reconciliation	150	*	2,000
Conflict Mitigation	0	*	1,907
Peace and Reconciliation Processes	150	*	0
Program Support (Conflict)	0	*	93
Governing Justly & Democratically	8,346	*	13,200
Rule of Law and Human Rights	0	*	3,500
Judicial Independence	0	*	1,352
Justice System	0	*	1,805
Program Support (Rule of Law)	0	*	343
Good Governance	3,546	*	3,800
Legislative Function and Processes	1,000	*	0
Local Government and Decentralization	1,341	*	1,795
Anti-Corruption Reforms	250	*	1,794
Program Support (Governance)	955	*	211
Political Competition and Consensus-Building	4,800	*	2,400
Elections and Political Processes	4,800	*	1,997
Program Support (Political Competition)	0	*	403
Civil Society	0	*	3,500
Civic Participation	0	*	3,200
Program Support (Civil Society)	0	*	300
Investing in People	166,421	*	507,500
Health	160,144	*	498,800
HIV/AIDS	138,600	*	467,500
Tuberculosis	1,582	*	2,600
Malaria	2,661	*	2,500
Maternal and Child Health	3,856	*	13,000
Family Planning and Reproductive Health	13,445	*	13,200
Education	6,277	*	8,700
Basic Education	6,277	*	7,700
Higher Education	0	*	1,000
Economic Growth	2,215	*	7,500
Trade and Investment	0	*	1,000
Trade and Investment Enabling Environment	0	*	449

(\$ in Thousands)	2006 Actual	2007 Estimate	2008 Request
Trade and Investment Capacity	0	*	448
Program Support (Trade)	0	*	103
Financial Sector	390	*	0
Financial Services	390	*	0
Agriculture	1,825	*	4,000
Agricultural Enabling Environment	342	*	901
Agricultural Sector Productivity	1,483	*	2,704
Program Support (Agriculture)	0	*	395
Private Sector Competitiveness	0	*	1,000
Workforce Development	0	*	879
Program Support (Private Sector)	0	*	121
Economic Opportunity	0	*	1,500
Inclusive Financial Markets	0	*	448
Policy Environment for Micro and Small Enterprises	0	*	893
Program Support (Econ Opportunity)	0	*	159

Statement of Changes

Funding for Nigeria has increased from the FY 2007 level in DA and CSH and decreased in ESF. IMET, FMF and INCLE accounts have also increased. CSH increased by just under \$3 million, resources that will be used to improve maternal and child health. The CSH increase will be critical to USAID support for polio eradication in Nigeria and globally, particularly to focus activities in Northern Nigeria which has been the most problematic area in performance. DA increased by \$13.5 million while ESF was zeroed out from \$6.475 million. This reduction was a strategic decision to use ESF in Rebuilding Countries and DA in Developing Countries. The increase in DA will strengthen Governing Justly and Democratically and Economic Growth programs. Efforts to counter terrorism will increase, across objectives, through expanded conflict mitigation, civil society strengthening, health, education and agriculture activities in northern Nigeria. Significant increases in funding for HIV/AIDS from the GHAI account will be used to expand HIV/AIDS prevention, care, and treatment programs.